

Target Market Determination - Standard Term Deposit Account (Non - Individual customers)

This is the target market determination (**TMD**) for the purposes of section 994B of the *Corporations Act 2001* (Cth) (**Corporations Act**) for the Standard Term Deposit Account (**Product**).

The issuer of the Product is Bank of China (Australia) Limited ABN 28 110 077 622 AFSL 287322 ACL 287 322 (**Bank**). This TMD sets out certain information relevant to the Bank's compliance with the design and distribution (**DDO**) framework in the Corporations Act, including the:

- class of consumers that makes up the target market for the Product;
- conditions that will be imposed on the distribution of the Product;
- requirements for the Bank to review the TMD; and
- requirements for distributors to report certain information to the Bank.

This TMD does not provide a complete list of the features and terms and conditions of the Product. This TMD should be read in conjunction with the Term Deposit Accounts Terms and Conditions, the Account Access Methods Terms and Conditions and the Schedule of Fees and Charges and other information available on the Bank's website in relation to the Product. A copy of these documents can be accessed on the Bank's website at www.bankofchina.com/au or from the Bank's retail branches in Australia during business hours (free of charge). If an application for the Product is approved, the particular Product will be governed by the Term Deposit Accounts Terms and Conditions.

This TMD has been prepared without taking into account any person's individual needs, objectives, or financial situation. If you are considering a Standard Term Deposit Account, we encourage you to understand how it may affect your personal circumstances and seek professional advice (such as, independent legal and financial advice).

Capitalised terms have the meaning given to them in the Term Deposit Accounts Terms and Conditions, unless otherwise defined.

Product	Standard Term Deposit Account
Issuer	Bank of China Australia Limited ABN 28 110 077 622 AFSL 287 322 ACL 287 322 (Bank)
Date of TMD	28 February 2025

Target Market	Description of target market Non - Individual customers who are looking for a term deposit account denominated in AUD, HKD, CNY and USD dollars, with the ability to earn higher interest and in respect of which the balance is intended to be invested for a fixed term varying from 7 days to 5 years (depending on the amount invested and the denomination of the account). Description of product, including key attributes A Standard Term Deposit Account is a term deposit account that pays a fixed interest rate on a fixed amount for a fixed term. The key attributes of a Standard Term Deposit Account include: • this account can be opened by Non-Individual customers only (being corporations, sole traders, partnerships with individual partners and trusts with individual trustees, and not customers who are natural persons;; • money deposited in this account is intended to be invested for a fixed term, with terms varying from 7 days to 5 years (depending on the amount invested and the denomination of the account), as selected by the customer; • the balance invested in the account will attract interest at a fixed interest rate that will apply for the fixed term; • interest will be paid on maturity, and will be calculated using the interest rate that is current as at the date of opening the account, or in the event of a renewal of the account, at the then current interest rate for the account. • withdrawal prior to maturity is allowed by providing 31 days' prior notice to the Bank; • if a customer withdraws funds from this account prior to the maturity date, accrued interest may be lost or reduced; • this account can be denominated in AUD, HKD, CNY and USD; • a customer may access their account using one or more of the following methods: ○ over the counter at any retail branch of the Bank in Australia during business hours; and ○ by using internet banking where the customer has registered for the Bank's Business Internet Banking service. The customer will only be able to view their account details; • money cannot be directly deposited to or withdrawn from this account. Rather, this account must be linked to a Bank of China Transactional and At Call Account (subject to eligibility criteria and excluding Home Loan Offset Accounts) and this Transactional and At Call Account must be used to transfer money in and out of the account; • at maturity principal and interest payments will paid to a linked Bank of China Transactional and at Call Account, reinvested in the term deposit or invested in a new term deposit; • no account keeping fee applies; • other fees may be payable in respect of this account depending on the service required by customer including for example cheque issuing fee, remittance fee, additional copy of account statement etc; • a statement of account is provided to customers monthly or at some other frequency at the request of the customer, where transactions have been made on the customer's account since the last statement was provided by the Bank; and
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	• a specified minimum opening balance applies, depending on the currency denomination. Please refer to the Term Deposit Account Terms and Conditions for further information in relation to this Product. <i>Description of likely objectives, financial situation and needs of consumers in the target market</i> This Product is designed for customers whose: • <u>Likely objectives include:</u> ○ seeking to invest money for a fixed term up to 5 years (in the case of an AUD denominated account) or up to 12 months (in the case of a HKD, CNY or USD denominated account); ○ seeking a higher interest rate; ○ seeking an term deposit account denominated in AUD, HKD, CNY and USD; ○ seeking an AUD denominated term deposit that is protected by the Financial Claims Scheme. • <u>Likely financial situation includes:</u> ○ having a wide range of business revenue income and business cash and saving levels. • <u>Likely needs include:</u> ○ seeking security of funds; ○ seeking a higher interest rate; ○ seeking a wide range of available fixed terms and currencies in which to invest. <i>Classes of consumers for whom the product is unsuitable</i> This Product is not suitable for customers who: • are individual customers or do not meet the other eligibility criteria; • are looking for a transaction account for daily use, including, but not limited to, a transaction account with additional features such as an overdraft facility, cheque book facility, access to mobile banking or the ability to link a debit card; • are looking to invest for a specified fixed term that is not available in the currency of their choice; • in the case of accounts denominated in USD, HKD or CNY, are looking for a term deposit that is protected by the Financial Claims Scheme; • are looking for investment in currencies other than AUD, HKD, CNY or USD; or • are looking for a savings account with the ability to deposit or withdraw funds as needed without impacting the payment of interest on the account. <i>Explanation of why the product is likely to be consistent with the likely objectives, financial situation and needs of consumers in the target market</i>
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	The Bank considers that the Product is likely to be consistent with the likely objectives, financial situation and needs of customers in the target market because: • this Product offers the ability to earn a higher interest rate; • this Product, as a term deposit account, is low risk in nature; • this Product offers the ability to invest a deposit for a fixed term, with a wide range of fixed terms (from 7 days to 5 years depending on the amount invested and the denomination of the account); and this Product has AUD, CNY, HKD and USD to choose from.
Distribution Conditions	<i>Distribution conditions</i> This Product can only be distributed in branch (through one of the Bank's branches in Australia) by an employee of the Bank who is authorised to distribute this Product. This Product cannot be distributed through online channels or through third parties. <i>Why the distribution conditions and restrictions will make it more likely that the consumers who acquire the product are in the target market</i> The Bank considers that the distribution conditions mean that it is likely that customers who acquire the Product will be in the target market because: • the Bank's distribution channel for this Product is restricted to its branch network and is only able to be distributed by the Bank's employees who are authorised to distribute the Product; • authorised employees must be authorised by the Bank to distribute this Product and are required to complete relevant training in relation to the Product and the distribution of the Product; and • the Product is only made available to customers using consistent approval processes that allow the Bank the opportunity to check all applications before they are approved for consistency with the Bank's eligibility criteria for the Product.
Review Triggers	The review triggers that would reasonably suggest that the TMD is no longer appropriate in relation to the Product include: • there are significant changes to the key attributes of the Product as described in this document that make it reasonable to conclude that it would no longer be consistent with the TMD; • there are significant changes to the methods of distribution of the Product that make it reasonable to conclude that the TMD does not reflect the actual distribution methods used by the Bank; • the rate of account closures or customers withdrawing funds prior to the maturity date within 12 months of account opening exceeds 10% in any one

	year (except where explainable by external factors unrelated to product attributes or distribution arrangements); - the Bank identifies a significant dealing that it is required to report to ASIC (including where the Bank identifies that the Product is being distributed without due care outside the target market to customers suffering from circumstances of vulnerability); - the number of customers making complaints in relation to their purchase or use of the Product in any year exceeds 5% of the total number of customers holding this Product; and - ASIC has utilised its product intervention power in Part 7.9A of the Corporations Act to intervene in relation to this product.												
Review Periods	Next review date: Within 1 year from 28 February 2025. Periodic reviews: Within 3 years after the next review date and each subsequent review date after that.												
Distribution Reporting Requirements	The following information must be provided to Bank of China (Australia) Limited by distributors who engage in retail product distribution conduct in relation to this Product: <table><tr><th>Type of information</th><th>Description</th><th>Reporting period</th></tr><tr><td>Complaints</td><td>Number of complaints, nature and substance of the complaint</td><td>Every 3 months within 10 business days from the end of the period</td></tr><tr><td>Account closures/withdrawing</td><td>Rate of account closures or withdrawing funds prior to the maturity date within 12 months of account opening</td><td>Every 3 months within 10 business days from the end of the period</td></tr><tr><td>Significant dealing(s) ¹</td><td>Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD)</td><td>As soon as practicable, and in any case within 10 business days after becoming aware</td></tr></table>	Type of information	Description	Reporting period	Complaints	Number of complaints, nature and substance of the complaint	Every 3 months within 10 business days from the end of the period	Account closures/withdrawing	Rate of account closures or withdrawing funds prior to the maturity date within 12 months of account opening	Every 3 months within 10 business days from the end of the period	Significant dealing(s) ¹	Date or date range of the significant dealing(s) and description of the significant dealing (eg, why it is not consistent with the TMD)	As soon as practicable, and in any case within 10 business days after becoming aware
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¹ For example, a distributor may consider a dealing outside the TMD to be significant because (i) they represent a material proportion of the overall distribution conduct carried out by the distributor in relation to the Product, or (ii) they constitute an individual transaction which has resulted in, or will or is likely to result in, significant detriment to the customer (or class of customers), or (iii) the issuer has reasonably identified the this type of dealing as significant or a regulator, court or AFCA identifies this type of dealing as significant.

